



Martin Andersson
184 Century Mill Rd
Bolton
MA 01740
USA

27th December 2019

Reservation of rights

RE: Policy No: CSRYP/172119

Vessel: Melody, 2000 47' Catana with Yanmar twin 55hp engine

D/L: 16th December 2019

Dear Mr Andersson

We write to inform you we represent Great Lakes Insurance SE as a marine underwriting agent and marine claims handlers.

In this regard Great Lakes Insurance SE was the marine insurer that issued the above referenced policy of marine insurance offering Hull and Machinery coverage with reference to the vessel *Melody, 2000 47' Catana*.

The vessel Melody struck a breakwater outside Boca Chica while waiting for guided assistance into the harbour. The vessel was subsequently stranded on the breakwater. Caribbean Marine Surveyors were instructed to survey the Vessel and did so on the 21st December 2019.

Our investigation determined that at the time of the loss, you were in breach of your navigational limits. Your Policy Schedule states clearly that it is;

"Warranted that the Scheduled Vessel is confined to Florida, the Bahamas and the Caribbean Sea (excluding Cuba, Colombia, Haiti and Venezuela) - not to exceed 150 miles offshore."

A direct course from Aruba to St Martin takes the Vessel far beyond these bounds, proceeding further West to Santo Domingo would do the same.

Furthermore;

Where any term herein is referred to as a "Warranty" or where any reference is made herein to the word "Warranted", the term shall be deemed a warranty and regardless of whether the same expressly provides that any breach will void this insuring agreement from inception, it is hereby agreed that any such breach will void this policy from inception.

Secondly, our investigation determined that the Vessel may not have been seaworthy at the time of the loss;

"Seaworthy' means fit for the Scheduled Vessel's intended purpose. Seaworthiness applies not only to the physical condition of the hull, but to all its parts, equipment and gear and includes

the responsibility of assigning an adequate crew. For the Scheduled Vessel to be seaworthy, it and its crew must be reasonably proper and suitable for its intended use.”

The lack of a functional VHF radio on board the Vessel was a contributing factor to the loss however the area of most concern with regards to potential seaworthiness is the procedure into a port in the dark with no local paper charts, no local cruising guide, no local knowledge, and what appear to be either defective, outdated, or absent electronic charts.

In addition to the above, the crew was reported to have been seasick shortly after leaving Aruba which became worse until arrival at Santo Domingo. The surveyor is of the opinion that as a result, the crew were subsequently ineffective on arrival in Santo Domingo.

The policy is clear on seaworthiness;

9. General Conditions & Warranties

“It is warranted that the Scheduled Vessel is seaworthy at all times during the duration of this insuring agreement. Breach of this warranty will void this insuring agreement from its inception. “

At this time insurers are reserving their rights to extend coverage until our investigation is complete at which time a determination of coverage will be made. Our investigation is being conducted on a without prejudice basis.

This letter is entirely without prejudice to any rights, benefits or defenses available to Great Lakes Insurance SE under the policy of marine insurance or at law. Great Lakes Insurance SE further reserves the right to modify and/or amend its stated position in the event that further information becomes known.

Yours sincerely,



Sarah Delacey-Simms LLB(Hons), LLM, FCILEx
Marine Claims Manager
For and on behalf of insurers at interest.